

STATEMENT

of

Vietnam Veterans of America

Presented by

Dr. Linda Spoonster Schwartz
Chair, VVA Health Care Committee

Before the
House Committee on Veterans' Affairs

Regarding

**The Department of Veterans Affairs health care system
capacity to meet the current demand for health care**

January 29, 2003

Good morning, Mr. Chairman and other distinguished Members of this panel. I am Dr. Linda Spoonster Schwartz, chair of the National Health Care Committee of Vietnam Veterans of America (VVA). I also serve as a Research Scientist at the Yale School of Nursing. I am a disabled veteran and regularly use VA health care services.

I want to thank you, Mr. Chairman, for convening this very timely hearing on the issue of the U.S. Department of Veterans Affairs' capacity to provide quality consistent, and timely health care for America's veterans. This topic is of grave concern to VVA members and their families, and indeed all veterans who look to the VA as a source of health care. We believe the capacity to provide quality and appropriate health care is predicated upon adequate funding for this system. Therefore, it is not surprising that VVA's **number one Legislative Priority is adequate funding for veterans enrolled in the VA Health Care system. Of equal importance to VVA is the lack of accountability in the VA system.** There is overwhelming evidence that there has not been adequate funding for VA services and programs for quite some time. There is also ample evidence that the VA does not have adequate financial tracking systems, modern management information systems, or the means or track record of holding senior managers accountable for poor performance.

Background

Former VA Undersecretary for Veterans Health Kenneth Kizers' 1996 promise to overhaul VA healthcare set out in his "Prescription for Change" has not materialized. It is true that important changes in clinical care and the introduction of technology called for in the plan have improved and modernized the system. However, the massive savings that were envisioned then have come at the expense of America's veterans. It is important that members of this Committee who were not here when these plans to restructure were adopted know that veterans who lived through the experience feel as if this new crisis is a timewarp *deja vu*.

The original rush to enroll every veteran in the country was touted as a means of assuring better funding for VA Health Care. In 1995, veteran service organizations were sold a bill of goods. We were encouraged to spread the word to our members and every veteran we met to ENROLL! ENROLL! ENROLL! Push up the numbers. Demonstrate the depth of the market, the need for product lines and impress Congress with a projection of the demand for funding. This has become a numbers game in which each year the Secretary is required to determine if enough resources exist to serve all priority categories of veterans. Because funding allocated for VA Health Care is not based on the total number of veterans enrolled in the system, gross underestimation of health needs and patient requirements resulted. Misconceptions and misinformation about the realities of this process amounted to a cruel hoax.

Since 1996, VA reports that over 20,000 health care positions have been cut from VHA. At the same time, the number of eligible veterans using the system has increased by 1.4 million. Lack

of a consistent, reliable budget has obstructed VA's capacity to respond to the changing needs of the health care system, to efficiently grow, acquire competent personnel and maintain a viable service infrastructure for VHA. VVA enthusiastically joins other veteran service organizations and advocates in endorsing the need to upgrade VA Health Care from the discretionary funding category to the more binding commitment of the Mandatory Funding classification. This action is necessary to abate the annual funding frenzy that VHA faces as it attempts to balance its mission to protect and safeguard veterans in its care and keeping.

VVA also believes that whether funding is funded on the discretionary side of the ledger or on the mandatory side of the ledger, there must be adequate funding. That would mean a minimum of at least \$28 billion (exclusive of co-payments and third-party collections) for veterans health care operations in FY 2004.

It is incumbent on the President, with troops in the field, to ask for these funds in the request that will be sent to Congress soon, as well as for at least \$23.9 Billion that Congress had seemingly already all but approved some time ago for FY 2003. If Congress does not pass appropriations for FY 2003 soon, then it is incumbent on the President to ask for the difference between the continuing resolution currently in place and the \$23.9 billion as an emergency appropriation that is needed virtually immediately.

Adequate Funding

Most Americans believe that health care for veterans is a government obligation to those men and women who stepped forward to defend freedom and this nation. At a time when our President is asking a new generation of Americans our sons and daughters to bear the burden of defending this country, we must keep faith with their dedication by making the commitment to assure that the funds to care for their injuries and disabilities is not relegated to a discretionary duty of the nation they have sworn to defend. Budgets are a reflection of the values and priorities of the administrators who design them and the legislators who approve them. What does discretionary funding for the care of men and women who defend this country say about America?

In addition to a change to the mandatory-funding category, VVA strongly recommends that policies for increased accountability of the VA Senior Executive Staff (SES) be set in place. It is imperative that the traditional cycle of promoting, reinventing and retreading members of the SES leadership, who fail in their service or who pose a danger to veterans, not be retained in the system. This is a tradition within the bureaucracy of VA which paralyzes the ability of the system to respond to the needs of veterans and provide safe, quality, and timely health care.

Secretary Principi has instituted impressive programs to increase the efficiency of the system to offset demand. He inherited substantial problems of claims backlogs that were years in the making; insufficient Third Party Reimbursement cost recovery, and incredible waiting times for clinic appointments and unacceptable standards of care. He has been brave enough to

acknowledge that under the present conditions VA cannot be all things to all veterans. He has emphasized on improved access for high-priority core constituencies: veterans with service-connected disabilities, low income and special health care needs. Measures to increase quality and decrease waiting times are worthy goals that require tough management decisions.

Rising costs of pharmaceuticals has compelled Americans to seek out sources of relief from the crushing burden of maintaining their health through medication. By extending the opportunity of low co-pays for medications, VA set into motion a process that is sucking the system dry. While insurance and health care plans have decreased their coverage for medications, veterans have flocked to VA to avail themselves of a very attractive and low-cost access to prescriptive drugs. The requirement that a VA provider must see these new enrollees has drained the system and increased the backlogs of patients waiting to be seen. The effectiveness of the care of seriously disabled veterans has been compromised.

We welcome VA's recent efforts to refine the Veterans Equitable Resource Allocations (VERA) to ensure that eligible veterans receive the same level of care and access to specialized services regardless of where they live. Such actions as the revision of the complexity of care funding allocation, increased funding to networks for severely ill patients, and efforts to manage and contain workloads and growth are important improvements. However, we believe it is too little too late.

This system has been in decline since the beginning of the Vietnam War over 40 years ago. It has never recovered. Buildings in decay, cuts in services at medical centers, projected increases in Community Based Outpatient Clinics (CBOCS) while waiting times for appointments in Medical Centers become ridiculously long. Waiting times of 365 days for an appointment in any health care system is unacceptable and indefensible.

VA has said that they are unable to provide all enrolled veterans with timely access to appropriate health care services because of the tremendous growth in the number of veterans seeking help. In the fiscal year alone, when budgetary constraints were already an issue, VA reported an influx of 830,000 new veterans.

Vietnam Veterans of America supports the efforts of Secretary Principi to stabilize VHA by suspending enrollment of Category 8 veterans until such time as there are resources adequate to take care of service-disabled veterans and combat veterans, plus indigent veterans. Once VA can take care of the core mission, only then should the Secretary provide care to others. The action to limit enrollment at this time was responsible given the dire situation. Congress has added significant money to the inadequate requests from two successive administrations for the Veterans Health Administration. We hope this trend will continue, but the President should ask for truly adequate resources in the initial request.

Capital Assets Realignment for Enhanced Services (CARES)

The original concept for an assessment of real estate holdings and plans for disposition of excess VA property has evolved into a clinical management tool. From the onset, the plan to embark on a disposition of excess buildings at the same time VA was engaged in a massive transformation of the agency health care delivery systems cast doubt on the plan.

There was no question that many VA sites had unused buildings. However, as VHA moved from a disease-oriented hospital-based system to a patient centered outpatient modality, the state of need was in flux. Decisions made within the context of CARES has effectively closed beds, cut staffing, compromised services and damaged VA's ability to respond to emerging needs of veterans. For example, this Committee and veteran advocates have spent considerable time in the last 20 years focusing on the unmet needs of women veterans. From that time until now, Congress has crafted a remarkable program to ensure that America's 1.2 million women veterans receive the privacy and specialized health services they need. Because the number of women in military service has increased from 2% in 1970 to 17.5% of the Active Force there is evidence to suggest that these efforts have been an investment in the future. However, we have seen signs that in the CARES process there are plans to dismantle these services and dissolve the hard won improvements to service to women veterans by mainstreaming their care. These plans are being discussed without identifiable representation in the VISNs or at Central Office by women veteran advocates. This is not an isolated incident. Members of VVA are active in the VISN's and on the Management Advisory Committees and at VA Medical Centers. They report their frustrations that veteran stakeholders are not being taken seriously in this process. Input about the needs of veterans are not appearing in reports or visible in the decision-making process.

Summary

In the discussion of capacity to provide health care to America's veterans, this boils down to a question of honor. For in essence this Committee and both Houses of Congress are the Board of Trustees of the largest health care system in the world. It does not matter what this body authorizes for insurance, organ transplants, or any other health care legislation. Congress does not bear the responsibility for those issues as directly, as specifically, as absolutely as health care for the men and women who defend this nation. The question of honor is not their honor but how Congress honors them. This concludes my testimony. I am available to answer any questions.

VIETNAM VETERANS OF AMERICA

Funding Statement

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The national organization Vietnam Veterans of America (VVA) is a non-profit veterans membership organization registered as a 501(c)(19) with the Internal Revenue Service. VVA is also appropriately registered with the Secretary of the Senate and the Clerk of the Senate of Representatives in compliance with the Lobbying Disclosure Act of 1995.

VVA is not currently in receipt of any federal grant or contract, other than the routine allocation of office space and associated resources in VA Regional Offices for outreach and direct services through its Veterans Benefits Program (Service Representatives). This is also true of the previous two fiscal years.

For Further Information, Contact:

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She is an acknowledged activist in both the nursing and veteran communities and current chair of Vietnam Veterans of America Health Care Committee. . She has served as President of the Connecticut Nurses Association, President of the Connecticut Nurses Foundation, Treasurer of the ANA PAC and Member of the National Board of Directors of the American Nurses Association. She has served 11 years as a Trustee of the Connecticut Department of Veterans Affairs. Dr. Schwartz has also served as a Consultant to the US Secretary of Veterans Affairs as Vice-Chair of the Advisory Committee on the Readjustment of Combat Veterans, Chairman, Advisory Committee on Women Veterans, and Member of the Advisory Committee on Care of Seriously Mentally Ill Veterans. She was the Treasurer and Director of Legislative Affairs for the Vietnam Women's Memorial Project, Regional Director for Vietnam Veterans of America and President of Project Partnership.

Because of her unique perspective on health care from the viewpoint of a disabled veteran, she has testified before Congress numerous times. Her research on the effects of service in Vietnam on the health of military women who served there is considered to be the first of its kind. As a volunteer, she worked with the VA to establish and manage 4 homes for homeless veterans in the West Haven area. She is the founding President of the Vietnam Veterans Assistance Fund a national non-profit organization which assists Vietnam veterans and their families. In 1987, she was honored as one of the "Outstanding Women in Connecticut" for her work on behalf of women veterans. In 1992, she was the first woman to receive the National Commendation Medal for "Justice, Integrity and Meaningful Achievement" from Vietnam Veterans of America. She was also the first woman veteran to earn the prestigious, State of Connecticut Veterans Commendation Medal (1995). She was recently honored by the Chapel of the Four Chaplains Foundation with the "Humanitarian 2000 Award" in recognition for her service to all people regardless of race or faith.